

STATE OF SOUTH CAROLINA

(Caption of Case)

Application of Mobilitie, LLC for a Certificate of  
Public Convenience and Necessity to Provide  
Resold and Facilities-Based Local Exchange  
and Interexchange Telecommunications Services in  
the State of South Carolina, and for Flexible  
Regulation

BEFORE THE  
PUBLIC SERVICE COMMISSION  
OF SOUTH CAROLINA

COVER SHEET

DOCKET  
NUMBER: 2007 - 258 - C

(Please type or print)

Submitted by: John J. Pringle, Jr.

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DOCKETING INFORMATION (Check all that apply)

☐ Emergency Relief demanded in petition

☐ Request for item to be placed on Commission's Agenda  
expeditiously

☐ Other:

INDUSTRY (Check one)	NATURE OF ACTION (Check all that apply)			
<input type="checkbox"/> Electric	<input type="checkbox"/> Affidavit	<input type="checkbox"/> Letter	<input type="checkbox"/> Request	
<input type="checkbox"/> Electric/Gas	<input type="checkbox"/> Agreement	<input type="checkbox"/> Memorandum	<input type="checkbox"/> Request for Certification	
<input type="checkbox"/> Electric/Telecommunications	<input type="checkbox"/> Answer	<input type="checkbox"/> Motion	<input type="checkbox"/> Request for Investigation	
<input type="checkbox"/> Electric/Water	<input type="checkbox"/> Appellate Review	<input type="checkbox"/> Objection	<input type="checkbox"/> Resale Agreement	
<input type="checkbox"/> Electric/Water/Telecom.	<input type="checkbox"/> Application	<input type="checkbox"/> Petition	<input type="checkbox"/> Resale Amendment	
<input type="checkbox"/> Electric/Water/Sewer	<input type="checkbox"/> Brief	<input type="checkbox"/> Petition for Reconsideration	<input type="checkbox"/> Reservation Letter	
<input type="checkbox"/> Gas	<input type="checkbox"/> Certificate	<input type="checkbox"/> Petition for Rulemaking	<input type="checkbox"/> Response	
<input type="checkbox"/> Railroad	<input type="checkbox"/> Comments	<input type="checkbox"/> Petition for Rule to Show Cause	<input type="checkbox"/> Response to Discovery	
<input type="checkbox"/> Sewer	<input type="checkbox"/> Complaint	<input type="checkbox"/> Petition to Intervene	<input type="checkbox"/> Return to Petition	
<input checked="" type="checkbox"/> Telecommunications	<input type="checkbox"/> Consent Order	<input type="checkbox"/> Petition to Intervene Out of Time	<input type="checkbox"/> Stipulation	
<input type="checkbox"/> Transportation	<input type="checkbox"/> Discovery	<input checked="" type="checkbox"/> Prefiled Testimony	<input type="checkbox"/> Subpoena	
<input type="checkbox"/> Water	<input type="checkbox"/> Exhibit	<input type="checkbox"/> Promotion	<input type="checkbox"/> Tariff	
<input type="checkbox"/> Water/Sewer	<input type="checkbox"/> Expedited Consideration	<input type="checkbox"/> Proposed Order	<input type="checkbox"/> Other: _____	
<input type="checkbox"/> Administrative Matter	<input type="checkbox"/> Interconnection Agreement	<input type="checkbox"/> Protest		
<input type="checkbox"/> Other: _____	<input type="checkbox"/> Interconnection Amendment	<input type="checkbox"/> Publisher's Affidavit		
	<input type="checkbox"/> Late-Filed Exhibit	<input type="checkbox"/> Report		

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# ELLIS:LAWHORNE

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August 20, 2007

**FILED ELECTRONICALLY AND ORIGINAL VIA 1<sup>ST</sup> CLASS MAIL SERVICE**

The Honorable Charles L.A. Terreni  
Chief Clerk  
**South Carolina Public Service Commission**  
Post Office Drawer 11649  
Columbia, South Carolina 29211

RE: Application of Mobilitie, LLC for a Certificate of Public Convenience and  
Necessity to Provide Resold and Facilities-Based Local Exchange and  
Interexchange Telecommunications Services in the State of South Carolina  
and For Flexible Regulation  
**Docket No. 2007-258-C, Our File No. 1291-11419**

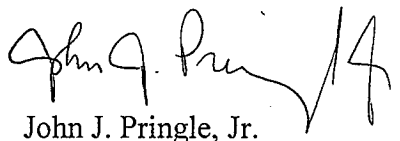
Dear Mr. Terreni:

Enclosed is the original and one (1) copy of the **Direct Testimony of Mark D. Askelson** for filing in the above-referenced docket. By copy of this letter, I am copying all parties of record with this letter and enclose my certificate of service to that effect.

Please acknowledge your receipt of this document by file-stamping the copy of this letter enclosed, and returning it in the enclosed envelope.

If you have any questions or need additional information, please do not hesitate to contact me.

Very truly yours,



John J. Pringle, Jr.

JJP/cr

cc: C. Lessie Hammonds, Esquire  
Margaret M. Fox, Esquire  
Mr. Mark Askelson  
John C. Dodge, Esquire

Enclosures

**THIS DOCUMENT IS AN EXACT DUPLICATE OF THE E-FILED COPY SUBMITTED TO THE COMMISSION IN ACCORDANCE WITH ITS ELECTRONIC FILING INSTRUCTIONS.**

**BEFORE THE PUBLIC SERVICE COMMISSION  
OF SOUTH CAROLINA  
DOCKET NO. 2007-258-C**

In Re Application of )

MOBILITIE, LLC )

For a Certificate of Public Convenience )  
and Necessity to Provide Resold and )  
Facilities-Based Local Exchange and )  
Interexchange Telecommunications )  
Services Within the State of South )  
Carolina, and for Flexible Regulation )

**Direct Testimony of Mark D. Askelson**

1    **Q.     Please state your name, business address and title.**

2    A.     My name is Mark D. Askelson, and my business address is 500 Newport Center Drive,  
3           Suite 830, Newport Beach, California, 92660. My title is Chief Financial Officer for  
4           Mobilitie, LLC ("Mobilitie").

5    **Q.     Please state your qualifications.**

6    A.     In my role as Chief Financial Officer for Mobilitie, I have personal knowledge of the  
7           telecommunications services provided by Mobilitie, Mobilitie's equipment and network,  
8           and of their legal and regulatory status. Prior to joining Mobilitie, I served as a Senior  
9           Manager with Deloitte Consulting and a Leader of the firm's Wireless Real Estate  
10          Practice. At Deloitte, I developed operations and asset strategies for major wireless  
11          carriers. As a result of my duties in my positions, I have had personal experience and  
12          knowledge with requirements imposed by local governments for access to public rights-  
13          of-way by telecommunications providers in numerous communities around the country.

14   **Q.     What is the purpose of your testimony?**

1 A. The purpose of my testimony is to present evidence describing the technical, managerial,  
2 and financial fitness of Mobilitie to provide resold and facilities-based local exchange  
3 and interexchange telecommunications service within the State of South Carolina. This  
4 testimony will also describe the service to be provided by Mobilitie. Finally, my  
5 testimony will show that the public interest will be served by the approval of Mobilitie's  
6 Application.

7 **Q. Are all of the statements in Mobilitie's Application correct and true to the best of**  
8 **your knowledge, information and belief?**

9 A. Yes.

10 **Q. Do you wish to incorporate by reference any documents into this testimony?**

11 A. Yes. I wish to incorporate, by reference, Mobilitie's underlying Application filed in this  
12 proceeding and its associated exhibits.

13 **Q. Do you ratify and confirm the statements and representations made in that**  
14 **Application and all Exhibits attached thereto?**

15 A. Yes.

16 **Q. Has Applicant registered to do business in South Carolina?**

17 A. Yes. Mobilitie received foreign corporation authority in South Carolina on January 29,  
18 2007. A copy of the Certificate of Authorization was attached as Exhibit A to the  
19 Application.

20 **Q. Has anything occurred since the Application of Mobilitie was filed on July 10, 2007**  
21 **that materially changes the representations therein?**

22 A. No.

23 **Q. Please describe the current corporate structure of Mobilitie.**

1 A. Mobilitie is a registered Limited Liability Company, duly organized under the laws of the  
2 State of Nevada, with principal place of business in California. Mobilitie owns and  
3 operates telecommunications facilities for the provision of its local transport  
4 telecommunications service.

5 **Q. Does Mobilitie have the requisite managerial, technical and financial abilities to**  
6 **provide the service for which it applied?**

7 A. Yes.

8 **Q. Please describe Applicant's financial abilities.**

9 A. Mobilitie is a private cash flow positive Limited Liability Company. Mobilitie has  
10 sufficient capital on hand to commence operations in the State of South Carolina and the  
11 company has access to additional capital financing as may be needed to sustain future  
12 growth and expansion. Mobilitie's business plan calls for the Company to provide its  
13 local transport services based upon direct customer demand. Under this plan, revenue  
14 from customers will be readily identified prior to any extensive outlay of capital.

15 **Q. Please describe the technical and managerial qualifications of Mobilitie.**

16 A. Mobilitie's management team includes individuals with substantive experience in  
17 successfully developing and operating telecommunications business. Consequentially,  
18 the Company has the adequate internal technical resources to support its South Carolina  
19 operations. Specific details of the business and technical experience of Mobilitie's  
20 officers and management personnel were attached to the Application as Exhibit D.

21 **Q. What services will Mobilitie offer?**

22 A. Mobilitie will offer transport of voice and data signals via fiber optic lines and a  
23 Distributed Antenna System that is owned, managed, and operated by Mobilitie.

1        Mobilitie's transport services use fiber optic technology, including multi-wavelength  
2        optical technology over dedicated transport facilities, to provide telecommunications  
3        companies with more efficient transport and greater overall network service options.  
4        Mobilitie's transport services connect wireless capacity equipment to bi-directional,  
5        Radio Frequency-to-optical conversion equipment at a hub facility. The conversion  
6        equipment will allow Mobilitie to accept Radio Frequency traffic from the customer and  
7        then send bi-directional traffic transmission across the appropriate optical networks. At  
8        the remote end, Mobilitie will provide Radio Frequency-to-optical conversion equipment  
9        to allow bi-directional conversion between optical signals and Radio Frequency signals.  
10       Radio Frequency signals can be received and radiated at this remote node by the  
11       customer company.

12    **Q.    Does Mobilitie intend to offer prepaid debit card services in South Carolina?**

13    A.    Not at this time. Mobilitie is aware of the Commission's \$5,000 bond or certificate of  
14       deposit requirement associated with prepaid debit card services, and will file such an  
15       instrument with the Commission should Mobilitie decide to offer these services in the  
16       future.

17    **Q.    How will Applicant bill for its services?**

18    A.    Mobilitie's customers will be billed according to individual case basis contracts  
19       negotiated with each customer. Mobilitie's customers typically are providers of retail  
20       wireless telecommunications services (also known as Commercial Mobile Radio Services  
21       "CMRS" providers, cellular, or Personal Communications Services "PSC" providers).

22    **Q.    How are trouble reports and customer complaints handled?**

1 A. Mobilitie customers may call toll-free to report problems or complaints. Mobilitie's  
2 customer service representatives are available from 8:00 AM to 4:59 PM Pacific time by  
3 calling 1-877-999-7070. Messages left between 5:00 PM and 7:59 AM will be returned  
4 the next day. In the event of an emergency that threatens customer service, customer  
5 service staff may be paged.

6 **Q. Does Mobilitie have offices in South Carolina?**

7 A. No. Mobilitie does not intend to have offices in South Carolina at this time.  
8 Accordingly, Mobilitie requests, pursuant to Rule 103-610, that the Commission allow it  
9 to keep all applicable books and records at its offices in California. In the event that the  
10 Commission or ORS should desire to inspect such books and records, Mobilitie will  
11 provide access expeditiously at its own expense.

12 **Q. Does Mobilitie intend to publish telephone directories or file an operating area map**  
13 **with the Commission?**

14 A. No. Mobilitie does not intend to offer any form of voice service at this time.  
15 Accordingly, Mobilitie requests a waiver of Commission Rule 103-631. Because  
16 Mobilitie will operate within the existing service areas of the existing incumbent local  
17 exchange carriers ("ILECs"), Mobilitie requests that it not be required to create and file  
18 any such operating area map as required by Commission Rule.

19 **Q. By what method will Mobilitie keep its financial records?**

20 A. Mobilitie uses Generally Accepted Accounting Principles ("GAAP"). To the extent that  
21 the Commission's Rules require the use of the Uniform System of Accounts ("USOA"),  
22 Mobilitie requests a waiver in order that GAAP be allowed.

23 **Q. How will Mobilitie market its services?**

1 A. Mobilitie will market its services through a direct sales team that focuses on government  
2 and carrier markets. As stated above, Mobilitie's customers are providers of retail  
3 wireless telecommunications services (also known as Commercial Mobile Radio Services  
4 "CMRS" providers, cellular, or Personal Communications Services "PSC" providers).

5 **Q. Has Mobilitie obtained authority to provide its services in any other states?**

6 A. Yes. Mobilitie is authorized to provide service in Arkansas, Florida, Illinois, Indiana,  
7 Maryland, Massachusetts, Michigan, Minnesota, Missouri, Nebraska, Nevada, New  
8 Hampshire, Oregon, Rhode Island, Texas, Vermont, Virginia, Washington, and  
9 Wisconsin. Mobilitie is also registered to provide telecommunications service in Iowa  
10 and Kentucky.

11 **Q. Please describe the proposed tariff filed by Mobilitie.**

12 A. Mobilitie filed as Exhibit E of its Application the proposed tariff for Mobilitie's transport  
13 service. The tariff contains the applicable rules and regulations for the provision of such  
14 service. I believe that Mobilitie's tariff will comport with all applicable Commission  
15 Rules and Orders, and Mobilitie agrees to make all changes suggested by the ORS that  
16 may be necessary to comply with applicable authority.

17 **Q. Will Mobilitie provide any equipment or facilities in connection with its services?**

18 A. Yes, Mobilitie proposes to offer its services, which will be both intrastate and interstate,  
19 by using a combination of its own facilities and facilities leased from other  
20 telecommunications carriers. Mobilitie's telecommunications service utilizes central  
21 locations called "Base Station Hotels." Base Station Hotels are typically installed in a  
22 building located on private property. The Base Station Hotels contain the Wireless  
23 Signal Processor (WSP) Base Transceiver Station (BTS) equipment. In addition, the



1 Base Station Hotels house the Optical Conversion Equipment that convert the radio  
2 frequency ("RF") output from the BTS into an optical signal. Optical signals are then  
3 transmitted via fiber optic cable to remote locations called "Remote Nodes." Remote  
4 Nodes convert optical signals back into RF signals that are delivered to another small  
5 antenna for broadcast by Mobilitie's customer. A typical Remote Node in Mobilitie's  
6 network is located on a utility or street light pole, bus stop, or other municipality  
7 infrastructure, and includes a small, low-power antenna. In addition, Remote Nodes may  
8 be outfitted as high power Access Points, in order to provide 802.11 data services.

9 **Q. Will granting a Certificate serve the public interest of South Carolina consumers?**

10 A. A decision by the Commission to grant Mobilitie authority to provide local exchange and  
11 interexchange telecommunications service is in the best interest. The public interest will  
12 be served by expanding the availability of competitive telecommunications services and  
13 enhanced telecommunications infrastructure in the State of South Carolina, thereby  
14 facilitating economic development. Authorizing Mobilitie to enter the  
15 telecommunications service market will increase the competitive choices available, and  
16 in turn create incentives for all carriers to lower prices, provide new and better quality  
17 services, and be more responsive to customer issues and demands.

18 **Q. Who is knowledgeable about Mobilitie's operations and will serve as the**  
19 **Commission's/ORS's regulatory and customer service contact?**

20 A. All ongoing regulatory compliance and customer service matters should be directed to  
21 my attention.

22 **Q. What regulatory treatment has Mobilitie sought in connection with this Docket?**

1 A. Mobilitie requests flexible regulation for its local exchange telecommunications services  
2 as the Commission first granted in Order No. 98-165 in Docket No. 97-467-C.

3 Q. Will Mobilitie comply with all of the applicable rules, regulations and orders of the  
4 Commission?

5 A. Yes.

6 Q. Does this conclude your testimony?

7 A. Yes.

**BEFORE**  
**THE PUBLIC SERVICE COMMISSION OF**  
**SOUTH CAROLINA**

**DOCKET NO. 2007-258-C**

IN RE:

Application of Mobilitie, LLC for a  
Certificate of Public Convenience and  
Necessity to Provide Resold and  
Facilities-Based Local Exchange and  
Interexchange Telecommunications  
Services in the State of South Carolina,  
and for Flexible Regulation

**CERTIFICATE OF SERVICE**

This is to certify that I have caused to be served this day, one (1) copy of the **Direct Testimony of Mark D. Askelson** via electronic mail service and by placing a copy of same in the care and custody of the United States Postal Service (unless otherwise specified), with proper first-class postage affixed hereto and addressed as follows:

C. Lessie Hammonds, Esquire  
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Columbia SC 29211

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\_\_\_\_\_  
Carol Roof  
Paralegal

August 20, 2007  
Columbia, South Carolina